



*Communications  
Workers of America*

*The Connecticut Union  
of  
Telephone Workers, Inc.*



*Local 1298*  
AFL-CIO

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Testimony of CWA Local 1298 in support of raised bill H.B. 6383

Labor and Public Employees Committee

February 9<sup>th</sup>, 2021

James Case, CWA Local 1298

Dear Senator Kushner, Representative Porter, Senator Sampson, Representative Arora and Members of the Labor and Public Employees Committee:

I am here to testify in support of H.B. 6383 AN ACT CONCERNING CALL CENTERS AND NOTICE OF CLOSURES.

My name is James Case, and I'm with CWA Local 1298, representing approximately 2,500 workers in the state of Connecticut with close to 600 of those members who are call center workers.

Call centers are an important economic lifeline for many communities in our state and across the country with an estimated 31,000 call center workers employed in the industry in our state alone.

However, thousands of call center workers across the country have lost their jobs in recent years as major corporations have offshored customer service operations. Call center jobs are singularly vulnerable to relocation - basically with a flip of a switch! Just recently, AT&T and Verizon have moved hundreds of good-paying jobs out of the state. AT&T alone moved over 100 of our member's jobs in Meriden just two years ago.

Those were good-paying union jobs with an average income of over \$90,000. The median income in Meriden is \$57,000 a year. Many of our members have dedicated their entire careers to this call center, working there for many decades. We are hopeful

the bill will pass this session. Last year it was H.B. 5273 and had garnered 40 co-sponsors before the session was ended prematurely.

The core of this bill is simple, no State taxpayer money should be used for companies that ship our jobs out of the state. Responsible businesses will not be adversely affected by this bill.

This is a pro-business bill. Businesses who invest in Connecticut by creating call center jobs will continue to receive the appropriate tax credits and subsidies that they do today.

The bill applies only to call centers with 50 or more employees that move 30% or more of their operations out of State. Call center jobs are good-paying, solid middle-class jobs. One call center closing can devastate an entire community.

When a call center closes, the State of Connecticut is faced with increased unemployment claims and expense.

Similar bills have passed in other states. In 2018, Louisiana passed a version of the bill that penalizes ALL employers that utilized state tax dollars and then moved jobs out of state by allowing the State to "claw-back" state funds received by the employer. In 2019, 6 States -New York, New Jersey, Colorado, Maine, Alabama, and Nevada passed versions of this bill to protect call center jobs and consumers, largely with bipartisan support.

We need to stop this trend and with this legislation, we can ensure that taxpayers are not footing the bill for outsourcing.

**H.B. 6383 AN ACT CONCERNING CALL CENTERS AND NOTICE OF CLOSURE**  
would

- Require companies to give 100 days' notice when planning to move 30% or more of call volume out of State or overseas. Failure to do so is subject to a fine.
- The State will compile a semi-annual "bad actors" list of all call center employers that move at least 30% of calls overseas. This list will be distributed to all State agencies.
- Companies on the bad actors' list are ineligible for grants, loans, tax benefits, and state contracts.
- The state can claw back the outstanding value of any taxpayer money or benefits the company received on a going-forward basis.

- In addition, the bill requires that all State call center work be performed in Connecticut.

The federal tax bill that passed in 2017 incentivizes outsourcing by taxing offshore profits at a lower rate than domestic profits and as a result, we have lost hundreds of thousands of call center jobs to offshoring. This is exactly why this bill is so important. This is the type of bill we need to pass now and it's a great opportunity for legislators to show they are willing to deliver for working people.

I thank the Labor Committee for their leadership introducing and sponsoring this important legislation.

Additionally, CWA supports H.B. 6380. I urge the Committee and Connecticut lawmakers to vote favorably this year to ensure pay equity in Connecticut.

I would be glad to answer any questions the Committee may have.

Respectfully Submitted,

James Case, CWA Local 1298